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		First Named Inventor	Michael J. Witz
		Art Unit	3624
		Examiner Name	Akers, Geoffrey R.
Total Number of Pages in This Submission	37	Attorney Docket Number	3801P197

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Signature	<i>Thomas Coester</i>
Date	6/22/04

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☐ Applicant claims small entity status. See 37 CFR 1.27.

TOTAL AMOUNT OF PAYMENT (\$)

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FEE CALCULATION

1. BASIC FILING FEE

Large Entity		Small Entity		Fee Description	Fee Paid
Fee Code	Fee (\$)	Fee Code	Fee (\$)		
1001	770	2001	385	Utility filing fee	
1002	340	2002	170	Design filing fee	
1003	530	2003	265	Plant filing fee	
1004	770	2004	385	Reissue filing fee	
1005	160	2005	80	Provisional filing fee	
SUBTOTAL (1)				(\$)	

2. EXTRA CLAIM FEES

Total Claims - 21** = X =
Independent Claims - 4 = X =
Multiple Dependent

Large Entity		Small Entity		Fee Description	Fee Paid
Fee Code	Fee (\$)	Fee Code	Fee (\$)		
1202	18	2202	9	Claims in excess of 20	
1201	86	2201	43	Independent claims in excess of 3	
1203	290	2203	145	Multiple Dependent claim, if not paid	
1204	86	2204	43	**Reissue independent claims over original patent	
1205	18	2205	9	**Reissue claims in excess of 20 and over original patent	
SUBTOTAL (2)				(\$)	

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3. ADDITIONAL FEES

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1051	130	2051	65	Surcharge - late filing fee or oath	
1052	50	2052	25	Surcharge - late provisional filing fee or cover sheet	
2053	130	2053	130	Non-English specification	
1812	2,520	1812	2,520	For filing a request for ex parte reexamination	
1804	920 *	1804	920 *	Requesting publication of SIR prior to Examiner action	
1805	1,840 *	1805	1,840 *	Requesting publication of SIR after Examiner action	
1251	110	2251	55	Extension for reply within first month	
1252	420	2252	210	Extension for reply within second month	
1253	950	2253	475	Extension for reply within third month	
1254	1,480	2254	740	Extension for reply within fourth month	
1255	2,010	2255	1,005	Extension for reply within fifth month	
1404	330	2401	165	Notice of Appeal	
1402	330	2402	165	Filing a brief in support of an appeal	330.00
1403	290	2403	145	Request for oral hearing	
1451	1,510	2451	1,510	Petition to institute a public use proceeding	
1452	110	2452	55	Petition to revive - unavoidable	
1453	1,330	2453	665	Petition to revive - unintentional	
1501	1,330	2501	665	Utility issue fee (or reissue)	
1502	480	2502	240	Design issue fee	
1503	640	2503	320	Plant issue fee	
1460	130	2460	130	Petitions to the Commissioner	
1807	50	1807	50	Processing fee under 37 CFR 1.17(q)	
1806	180	1806	180	Submission of Information Disclosure Stmt	
8021	40	8021	40	Recording each patent assignment per property (times number of properties)	
1809	770	1809	385	Filing a submission after final rejection (37 CFR § 1.129(a))	
1810	770	2810	385	For each additional invention to be examined (37 CFR § 1.129(b))	
1801	770	2801	385	Request for Continued Examination (RCE)	
1802	900	1802	900	Request for expedited examination of a design application	

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06/22/04



Attorney's Docket No. 3801P197

Appeal Brief Ellis
7-24-04

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:)	
Michael J. Witz, et al.)	Examiner: Akers, Geoffrey R.
Serial No. 09/599,051)	Art Group: 3624
Filed: June 21, 2000)	Confirmation No.: 7802
For: COMMUNITY BASED)	
FINANCIAL PRODUCT)	

APPEAL BRIEF

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Dear Sir:

Applicants, (hereinafter "Appellants") submit, in triplicate, the following Appeal Brief pursuant to 37 C.F.R. § 1.192 for consideration by the Board of Patent Appeals and Interferences. Appellants also submit herewith a check in the amount of \$330.00 to cover the cost of filing the opening brief as required by 37 C.F.R. § 1.17(f). Please charge any additional amount due or credit any overpayment to deposit Account No. 02-2666.

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I. REAL PARTY IN INTEREST

Michael J. Witz, et al., the party named in the caption, assigned their rights to the invention disclosed in the subject application through an Assignment recorded on September 7, 2000 at reel and frame 010923/0012 to Stockjungle.com, Inc. (Stockjungle), 5750 Wilshire Boulevard, Los Angeles, California 90036. Stockjungle assigned its interest to Credit Managers Association of California (CMAC) in an Assignment dated October 5, 2001. CMAC assigned its interest to Michael Witz in an Assignment dated April 20, 2003. Both Assignments were sent for recording in the U.S. Patent and Trademark Office on January 6, 2004. Michael Witz assigned his interest to eBay Incorporated, 2145 Hamilton Avenue, San Jose, California through an unrecorded Assignment on April 21, 2004. Therefore, eBay Incorporated is the real party in interest.

II. RELATED APPEALS AND INTERFERENCES

There are no other appeals or interferences that will directly affect or be directly affected by or have a bearing on the Board's decision in this Appeal.

III. STATUS OF CLAIMS

Claims 1-21 are pending in the application. The Examiner has rejected claims 1-21. Appellants appeal the rejection of claims 1-21.

IV. STATUS OF AMENDMENTS

No amendments were submitted after the Final Office Action mailed January 27, 2004.

V. SUMMARY OF THE INVENTION

A server node and client nodes are connected to a wide area network (WAN), such as the internet. See Application, page 3, lines 3-5. The server node is also connected to a database and an investment analyzer and “tracks the preferences submitted by a virtual community made of a population of users which connect from client nodes 104 through WAN 102 to the server node 100.” Application, page 3, lines 7-12. The virtual community is based around securities investment and equities investment. See Application, page 3, lines 11-12.

Each member of the virtual community, after creating a user profile, may submit investment preferences, for example, “security picks from the universe of possible securities available in the market.” Application, page 4, lines 3-5. Upon receipt of a preference from a user, the data extractor extracts the preference information and emails the information to the investment analyzer, which aggregates that preference with all the previously received preferences. See Application, page 4, lines 7-11.

The aggregated list of preferences may be used as a basis for the formation of a financial product, such as a mutual fund or a newsletter. See Application, page 4, lines 15-16. In the case of a newsletter, the preferences may be aggregated and statistically manipulated based on factors as rankings within the population of analysts (submitting users), and in some instances combined with analyst reports and recommendations from high-ranking analysts. Application, page 4, lines 17-21.

In the case of a mutual fund, the constituent positions of the fund are selected by a series of screenings of the aggregation of preferences based on the intelligence of the community. See Application, page 4, lines 23-25. The investment analyzer may include a rank unit that ranks preferences submitted by each analyst to establish which analysts performed best during a particular time window, and rewarding high performing analysts. See Application, page 5, lines 3-11. In addition, the nature of the virtual community allows fund information (e.g., listings of current fund holdings and listings of fund transactions) to be disseminated on-demand (i.e., a naked

fund), in contrast to traditional mutual funds which information is, by the time fund information is disseminated, obsolete. See Application, page 12-23.

VI. ISSUES

The issues involved in this Appeal are as follows:

A. Are claims 1-21 unpatentable under 35 U.S.C. § 103(a) as being obvious over U.S. Patent No. 6,349,290 issued to Horowitz, et al. ("Horowitz") in view of U.S. Patent No. 5,918,217 issued to Maggioncalda, et al. ("Maggioncalda")?

B. Are claims 1-21 unpatentable under 35 U.S.C. § 112, second paragraph for failing to point out, demonstrate and specifically claim what Appellants regard is the invention?

VII. GROUPING OF CLAIMS

All of the claims do not stand or fall together. Rather, Appellants contend that the claims can be divided into the following groups and each group is separately patentable:

- Group I - Claim 1
- Group II - Claims 2, 7
- Group III - Claim 3
- Group IV - Claim 4
- Group V- Claim 5
- Group VI- Claim 6
- Group VII- Claim 8
- Group VIII- Claim 9
- Group IX- Claim 10
- Group X- Claims 11, 12
- Group XI- Claim 13
- Group XII- Claim 14
- Group XIII- Claim 15

Group XIV- Claim 16

Group XV- Claim 17

Group XVI- Claims 18, 19

Group XVII- Claim 20

Group XVIII- Claim 21

The basis for the separate patentability of the groups is set forth below.

VIII. ARGUMENT

The Examiner rejected claims 1-21 as unpatentable under 35 U.S.C. § 103() as being obvious over U.S. Patent No. 6,349,290 issued to Horowitz, et al. ("Horowitz") in view of U.S. Patent No. 5,918,217 issued to Maggioncalda, et al. ("Maggioncalda"), and as unpatentable under 35 U.S.C. § 112, second paragraph for failing to point out, demonstrate and specifically claim what Appellants regard is the invention.

A. Overview of the Prior Art

1. Overview of Horowitz

Horowitz teaches "an automated system and method for presenting both interactive and proactive customized and personalized advice for a customer by a financial institution is based on a sophisticated customer profile generated by the system according to an analysis of the customer from a totality of the customer's interaction with the system." Horowitz, Abstract. Horowitz "provides customer-tailored prescription for products and services that not only suits a financial institution, such as a bank, as a service provider, but also adjusts to the customer's individual needs, as the bank's understanding of the customer changes." Horowitz, Col. 7, lines 50-57. The system in Horowitz "adapts itself to any customer, at any location, for example, by being able to recognize the customer as an individual, rather than as a member of a class, and tailors its offerings to satisfy specific customer needs, regardless of worldwide location." Horowitz, Col. 2, lines 43-51. "This custom tailoring and adjustment is based, for example, on the customer's behavior, the customer's

financial aptitude, the customer's financial assets, and a combination of these factors, which are used to generate individualized advice to the customer." Horowitz, Col. 7, lines 57-62.

Horowitz does not teach or suggest aggregating user preferences from a population of users forming a virtual community to form a set of preferences since Horowitz is primarily concerned with giving custom-tailored advice to each individual customer based on factors gathered only from that individual. Moreover, Horowitz does not teach or suggest deriving financial product from the set of preferences since Horowitz teaches giving advice about currently available investments, and not generating a financial product.

2. Overview of Maggioncalda

Maggioncalda teaches "a stochastic simulator [to] provide information relating to various aspects of financial risk including the risk of not achieving a particular financial goal and short- and long-term financial risks in order to help a user of the financial advisory system deal with and control such financial risks." Maggioncalda, Col. 5, lines 1-6. In addition, the system in Maggioncalda allows "the user to focus on his/her decisions regarding investment risk, savings, and retirement age while interactively observing the impact of those decisions on the range of possible investment outcomes." Id., lines 6-10.

The system in Maggioncalda accepts inputs from a user and outputs a value based on the input decisions and a recommended set of financial products. See Maggioncalda, Col. 2, lines 37-41. The output values include "the projected future value of the recommended financial products and the chance that the user meets his/her goals." Maggioncalda Col. 2, lines 41-44. The user may then focus on "decisions that can be made to reach one or more future financial goals and the effects of modifying one or more of the decisions." Maggioncalda, Col. 2, lines 50-53.

Maggioncalda does not teach or suggest aggregating user preferences from a population of users forming a virtual community to form a set of preferences since Maggioncalda teaches a system to allow a user to manipulate a set of factors and view a potential outcome so that the user is able to determine whether the decision may have a favorable outcome. Moreover, Maggioncalda

does not teach or suggest deriving financial product from the set of preferences since the user is choosing/manipulating pre-existing products in determining which product to choose rather than combining the user's decisions with other user's decisions to form a financial product.

B. Overview of MPEP § 2172, Subsection I

MPEP § 2172, Subsection I states in its entirety:

A rejection based on the failure to satisfy this requirement is appropriate only where applicant has stated, somewhere other than in the application as filed, that the invention is something different from what is defined by the claims. In other words, the invention set forth in the claims must be presumed, in the absence of evidence to the contrary, to be that which Appellants regard as their invention. *In re Moore*, 439 F.2d 1232, 169 USPQ 236 (CCPA 1971).

C. Rejection of Group I Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group I claim (claim 1) under 35 U.S.C. 103(a) as being obvious over U.S. Patent No. 6,349,290 issued to Horowitz, et al. ("Horowitz") in view of U.S. Patent No. 5,918,217 issued to Maggioncalda, et al. ("Maggioncalda"). Appellants traverse the rejection.

To render a claim obvious, the relied upon references must teach or suggest every limitation of the claim such that the invention as a whole would have been obvious at the time the invention was made to one skilled in the art. Claim 1 defines a method comprising receiving over a wide-area network (WAN) an indication of a preference of a user from a population of users that form a virtual community, aggregating the preference into a database of previously received preferences from the population, the aggregation being a set of preferences and deriving a financial product

from the set of preferences. Appellants respectfully submit the combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 1.

In making the rejection, the Examiner characterizes Horowitz as teaching “deriving a financial product from a set of preferences (Abstract) (Fig. 1-37)”. Paper No. 7, page 2. In addition, the Examiner characterizes Horowitz as teaching “an automated system for customized presentation of financial products to a user (Abstract)” (Col. 1, line 65 through Col. 2, line 8) (Fig. 1). Id. The Examiner further characterizes Horowitz as teaching “the use of an advice engine (computer) as well as a presentation engine (Fig. 12/S12/S13) which are hardware and software based.” Id. Moreover, the Examiner alleges Horowitz teaches “mass customization” or consultative services typical of the operation of a mutual fund.” See Paper No. 7, page 2 (citing Horowitz, Col. 2, lines 25-30). Lastly, the Examiner suggests Horowitz “also teaches a system which supports any interface access as the Internet and wireless and cable (Col. 2, lines 52-58).” Paper No. 7, pages 2-3. Appellants respectfully submit these sections cited by the Examiner fail to teach or suggest at least 1) receiving an indication of a preference of a user from a population of users that form a virtual community, 2) aggregating the preference into a database of previously received preferences from the population, the aggregation being a set of preferences, and 3) deriving a financial product from the set of preferences.

Horowitz teaches a “customized and personalized presentation of products and services, and more particularly [to] an automated system and method for presenting customized and personalized product and service messages to customers of a financial institution, such as a bank.” Horowitz, Col. 1, lines 13-17. Horowitz also shows a method and system to provide a customer-tailored prescription for products and services that not only suits a financial institution, such as a bank, as a service provider, but also adjusts to the customer’s individual needs, as the bank’s understanding of the customer changes. See Horowitz, Col. 7, lines 50-57. “This custom tailoring and adjustment is based, for example, on the customer’s behavior, the customer’s financial aptitude, the customer’s financial assets, and a combination of these factors, which are used to generate individualized advice to the customer.” Horowitz, Col. 7, lines 57-62.

Appellants respectfully submit Horowitz teaches a system and method wherein only the customer's behavior, financial aptitude, and financial assets are taken into consideration and used to generate individualized advice to the customer. In reviewing Horowitz in its entirety, Appellants are unable to find any sections of Horowitz that teach or suggest 1) a population of users forming a virtual community since Horowitz treats each user as an individual and not a member of a community, 2) aggregating the preferences of these users into a database to form a set of preferences since only the user's behavior, financial aptitude and financial assets are taken into account in determining what advice to give the user and does not take into account preferences gathered from other users, and 3) deriving a financial product from the set of preferences since Horowitz only teaches that the bank's advice to the customer "adjusts to the customer's individual needs, as the bank's understanding of the customer changes," and thus no financial product is derived from the customer's preferences (which fail to meet the meaning of preferences in this claim as noted above) since financial products do not originate from the preferences.

In addition, Appellants note the Examiner cites Horowitz as teaching "mass customization" or consultative services typical of the operation of a mutual fund. Appellants have read the cited section of Horowitz and respectfully submit that, when read in context, the "mass customization" referred to by Horowitz is a "'mass customization' of individualized consultative sessions to deepen customer relations" and not a population of users forming a virtual community having their preferences aggregated into a database since the consultative session are individualized. Horowitz, Col. 2, lines 25-31 (emphasis added). Therefore, Horowitz fails to teach or suggest each of the elements of claim 1.

The Examiner relies on Maggioncalda to cure the defects of Horowitz, however, Appellants respectfully submit Maggioncalda fails to cure the defects of Horowitz. In making the rejection, the Examiner characterizes Maggioncalda as teaching "receiving user preferences and inputs into a financial advisory system (Col. 8, lines 6-14) and utilizing this set of risk tolerances appropriate to the user into a decision module to produce recommendation for the user to consider to achieve financial goals (Col. 8, lines 15-16) (Fig. 4)." Paper No. 7, page 3. Appellants respectfully submit

that Maggioncalda also does not teach or suggest at least 1) receiving a preference of a user from a population of users that form a virtual community, 2) aggregating the preference into a database of previously received preferences from the population, the aggregation being a set of preferences, and 3) deriving a financial product from the set of preferences.

Maggioncalda teaches “a system for advising a user regarding feasible and recommended products from a set of financial products and a user interface for such a system.” Maggioncalda, Col. 1, lines 14-18. In addition, Maggioncalda teaches a stochastic simulator to provide information relating to various aspects of financial risk including the risk of not achieving a particular financial goal and short- and long- term financial risks to help a user of the financial advisory system deal with and control such financial risks. See Maggioncalda, Col. 4, line 65 – Col. 5, line 6. Other aspects of Maggioncalda “allow the user to focus on his/her decisions regarding investment risk, savings, and retirement age while interactively observing the impact of those decisions on the range of possible investment outcomes,” the investments being “different types of assets, such as U.S. equities and bonds.” Maggioncalda, Col. 5, lines 6-10 and Col. 7, lines 20-29. Similar to Horowitz discussed above, Appellants respectfully submit Maggioncalda only takes into consideration the inputs and history of the user him/her self and not the aggregated preferences of a population of users that form a virtual community.

Appellants respectfully submit there is no teaching or suggestion in Maggioncalda of a population of users forming a virtual community since each user is given advice and treated as an isolated individual. In addition, each user’s preferences are not aggregated into a database forming a set of preferences since the user is allowed to “focus on his/her decisions regarding investment risk, savings, and retirement age while interactively observing the impact of those decisions on the range of possible investment outcomes” and is not combined/affected by the choices of other users. Maggioncalda, Col. 5, lines 6-10. Moreover, a financial product is not derived from the set of preferences since Maggioncalda’s system gives advice to the user regarding existing financial products (e.g., U.S. equities and bonds) rather than creating a financial product. Therefore, for the above reasons, Maggioncalda fails to cure the defects of Horowitz.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claim 1 is fatal to the obviousness rejection. Therefore, claim 1 is not obvious over Horowitz in view of Maggioncalda. Accordingly, it is requested that the obviousness rejection of Group I be overturned.

D. Rejection of Group II Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group II claims (claims 2 and 7) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claim 2 depends from claim 1 and contains each of the elements thereof. Therefore, claim 2 is not obvious over Horowitz in view of Maggioncalda at least for the same reasons as claim 1.

In addition, claim 2 includes the elements of “wherein the financial product is a mutual fund.” Appellants reiterate the discussion above that neither Horowitz or Maggioncalda teach or suggest deriving any sort of financial product, let alone deriving a mutual fund from a set of preferences aggregated from the preferences of a population of users that form a virtual community. Moreover, in making the rejection, the Examiner suggests Horowitz teaches “services typical of the operation of a mutual fund.” Paper No. 7, page 2. Appellants disagree with the Examiner and submit that a typical mutual fund does not operate in the manner defined in claim 2 since a typical mutual fund does not aggregate the preferences from the population of a virtual community to identify investments for the mutual fund. In addition, the Examiner does not cite Maggioncalda, nor can Appellant discern any sections of Maggioncalda that teach or suggest such elements. Thus, combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 2.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claim 2 is fatal to the obviousness rejection. Therefore, claim 2 is not obvious over Horowitz in view of Maggioncalda.

Claim 7 depends from claim 2 and includes each of the elements thereof. Therefore, Appellants respectfully submit claim 7 is not obvious over Horowitz in view of Maggioncalda at least for the same reasons as claim 2. Accordingly, it is requested that the obviousness rejection of Group II be overturned.

E. Rejection of Group III Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group III claim (claim 3) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claim 3 depends from claim 1 and contains each of the elements thereof. Therefore, claim 3 is not obvious over Horowitz in view of Maggioncalda at least for the same reasons as claim 1.

In addition, claim 3 includes the elements of “associating with each preference a ranking of a submitting user and screening the preferences based on the ranking.” As discussed above, the combination of Horowitz and Maggioncalda only teaches using the customer’s preferences/decisions to aid the institution in giving advice to that customer. In Horowitz and Maggioncalda, the customer’s preference is not ranked or screened based upon the submitting user’s ranking because there is no need to rank and/or screen the preference since the preference is only used for that individual customer and not compared to the rankings of other customers. Thus, combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 3.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claim 3 is fatal to the obviousness rejection. Therefore, claim 3 is not obvious over Horowitz in view of Maggioncalda. Accordingly, it is requested that the obviousness rejection of Group III be overturned.

F. Rejection of Group IV Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group IV claim (claim 4) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claim 4 depends from claim 2 and contains each of the elements thereof. Therefore, claim 4 is not obvious over Horowitz in view of Maggioncalda at least for the same reasons as claims 1 and 2 discussed above.

In addition, claim 4 includes the elements of “identifying within the set of preferences a first subset of preferences having a capitalization and a trading volume consistent with objectives of the mutual fund.” As discussed above, Horowitz and Maggioncalda do not teach or suggest aggregating the preferences of users within a population forming a virtual community, the aggregation being a set of preferences since each individual’s preferences are not associated with other users’ preferences. Thus, Horowitz and Maggioncalda cannot teach or suggest identifying a first subset of preferences within the set of preferences since there is no initial set from which a subset can stem. Moreover, since Horowitz and Maggioncalda do not teach or suggest creating a mutual fund, the subset cannot have a capitalization and trading volume consistent with the objectives of the mutual fund. Thus, combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 4.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claim 4 is fatal to the obviousness rejection. Therefore, claim 4 is not obvious over Horowitz in view of Maggioncalda. Accordingly, it is requested that the obviousness rejection of Group IV be overturned.

G. Rejection of Group V Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group V claim (claim 5) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claim 5 depends from claim 4 and contains each of the elements thereof. Therefore, claim 5 is not obvious over Horowitz in view of Maggioncalda at least for the same reasons as claim 4.

In addition, claim 5 includes the elements of “screening the first subset of preferences based on a ranking of a submitting user to create a second subset.” As discussed above, Horowitz and Maggioncalda do not teach or suggest aggregating the preferences of users within a population forming a virtual community, the aggregation being a set of preferences since each individual’s preferences are not associated with other users’ preferences. Thus, Horowitz and Maggioncalda cannot teach or suggest a first subset of preferences within the set of preferences since there is no initial set from which a subset can stem. Moreover, since Horowitz and Maggioncalda do not teach or suggest creating a first subset, Horowitz and Maggioncalda cannot teach or suggest screening the first subset based on a ranking of a submitting user to create a second subset. Thus, combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 5.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claim 5 is fatal to the obviousness rejection. Therefore, claim 5 is not obvious over Horowitz in view of Maggioncalda. Accordingly, it is requested that the obviousness rejection of Group V be overturned.

H. Rejection of Group VI Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group VI claim (claim 6) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claim 6 depends from claim 1 and contains each of the elements thereof. Therefore, claim 6 is not obvious over Horowitz in view of Maggioncalda at least for the same reasons as claim 1. Therefore, claim 6 is not obvious over Horowitz in view of Maggioncalda at least for the same reasons as claim 1 discussed above.

In addition, claim 6 includes the elements of “wherein each preference represents a stock in a model portfolio of a user, ranking the model portfolio relative to a population of model portfolios and incentivising submitters of high performing model portfolios.” Since Horowitz and Maggioncalda teach that the user’s preferences are for use with only that particular user, Horowitz and Maggioncalda does not teach or suggest ranking a model portfolio relative to a population nor does the combination of Horowitz and Maggioncalda teach or suggest incentivising submitters of high performing model portfolios beyond the ordinary investment incentives. Thus, combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 6.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claim 6 is fatal to the obviousness rejection. Therefore, claim 6 is not obvious over Horowitz in view of Maggioncalda. Accordingly, it is requested that the obviousness rejection of Group VI be overturned.

I. Rejection of Group VII Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group VII claim (claim 8) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claim 8 depends from claim 1 and contains each of the elements thereof. Therefore, claim 8 is not obvious over Horowitz in view of Maggioncalda at least for the same reasons as claim 1.

In addition, claim 8 includes the elements of “receiving a request over the WAN for information about the mutual fund and serving a page reflecting current holdings of the mutual fund over the WAN.” Appellants respectfully submit Horowitz and Maggioncalda fail to teach or suggest each of these elements since both references are concerned with obtaining information from

the customer/user to provide investing advice the customer/user and neither reference discloses that the customer/user is able to review current fund (provided they chose an appropriate fund) holdings over a WAN once they choose a particular investment. Among other reasons that Horowitz and Maggioncalda fail to teach or suggest providing current fund holdings is that existing mutual funds do not make “current” fund holdings available. Rather, existing funds provide a snap shot quarterly which is obsolete before it is ever disseminated. Thus, the combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 8. Accordingly, it is requested that the obviousness rejection of Group VII be overturned.

J. Rejection of Group VIII Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group VIII claim (claim 9) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claim 9 depends from claim 1 and contains each of the elements thereof. Therefore, claim 9 is not obvious over Horowitz in view of Maggioncalda at least for the same reasons as claim 1.

In addition, claim 9 includes the elements of “wherein the financial product is a newsletter.” Appellants reiterate the discussion above that neither Horowitz or Maggioncalda teach or suggest deriving any sort of financial product, let alone deriving a newsletter from a set of preferences aggregated from the preferences of a population of users that form a virtual community. Thus, combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 9.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claim 9 is fatal to the obviousness rejection. Therefore, claim 9 is not obvious over Horowitz in view of Maggioncalda. Accordingly, it is requested that the obviousness rejection of Group VII be overturned.

K. Rejection of Group IX Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group IX claim (claim 10) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claim 10 depends from claim 9 and contains each of the elements thereof. Therefore, claim 10 is not obvious over Horowitz in view of Maggioncalda at least for the same reasons as claim 9.

In addition, claim 10 includes the elements of “screening the set of preferences to generate a recommended list.” Similar to the discussion above, Appellants submit Horowitz and Maggioncalda fail to teach or suggest at least these elements since neither reference shows the formation of a set of preferences from which a recommended list may be screened. Thus, combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 10.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claim 10 is fatal to the obviousness rejection. Therefore, claim 10 is not obvious over Horowitz in view of Maggioncalda. Accordingly, it is requested that the obviousness rejection of Group VIII be overturned.

L. Rejection of Group X Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group X claims (claims 11 and 12) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claims 11 and 12, claims 11 and 12 depend from claim 1 and contains each of the elements thereof. Therefore, claims 11 and 12 are not obvious over Horowitz in view of Maggioncalda at least for the same reasons as claim 1.

In addition, claims 11 and 12 each include the elements of “wherein the screening is based on at least one of: ranking of a submitting user, investment style of the recommended list, capitalization, average trading volume, price to earning ratio, return on investment, gross margin, and

revenue growth rate over a predetermined time period; and generating analyst reports for submitting users satisfying predetermined criterion.” As discussed above, Horowitz and Maggioncalda fail to teach or suggest a users preferences/decisions being used to generate a recommended list.

Moreover, Horowitz and Maggioncalda fail to teach or suggest a screening process based on one of, the ranking of a submitting user, investment style of the recommended list, capitalization, average trading volume, price to earning ratio, return on investment, gross margin, and revenue growth rate over a predetermined time period and generating any type of report for submitting users satisfying predetermined criterion since Horowitz and Maggioncalda uses each individual customer’s decision information only with respect to that individual customer. Thus, combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claims 11 and 12.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claims 11 and 12 is fatal to the obviousness rejection. Therefore, claims 11 and 12 are not obvious over Horowitz in view of Maggioncalda. Accordingly, it is requested that the obviousness rejection of Group IX be overturned.

M. Rejection of Group XI Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group XI claim (claim 13) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claim 13, claim 13 defines a method comprising receiving recommendations for securities from a population of users over a wide area network (WAN), generating a population weighted scale (PWS) for a first subset of the securities recommended and identifying position changes for a mutual fund from the subset of securities recommended. Appellants respectfully submit the combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 13.

As discussed above, Horowitz teaches giving investment advice to individual customers based upon custom tailoring and adjusting the bank’s advice to the customer based on the

customer's behavior, the customer's financial aptitude, the customer's financial assets, and a combination of these factors. See Horowitz, col. 7, lines 57-62. Thus, the customer's behavior, financial aptitude and financial assets information is used only for that particular customer and not for use by or in conjunction with other customers.

Also, as discussed above, Maggioncalda teaches allowing "the user to focus on his/her decisions regarding investment risk, savings, and retirement age while interactively observing the impact of those decisions on the range of possible investment outcomes," Maggioncalda, col. 5, lines 6-10. Thus, Maggioncalda teaches only the user is capable of focusing on his/her decisions and that those decisions are not aggregated with other users.

Therefore, the combination of Horowitz and Maggioncalda does not teach or suggest each of the elements of claim 13 since each only uses the individual customer's/user's decisions for determining advice to give to that particular customer, they do not teach or suggest at least receiving recommendations for securities from a population of users over a WAN. In addition, in reviewing Horowitz and Maggioncalda in each of their respective entireties, Appellants are unable to discern any sections in these references that teach or suggest generating a PWS for a first subset of recommended securities since neither references shows generating anything other than advice for each particular customer/user. Thus, combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 13. Moreover, neither reference remotely suggests that the preferences collected, even on an individual basis, identify position changes within a mutual fund. Appellants note that changing mutual fund held by an individual investor does not remotely resemble changing the holdings of the fund itself.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claim 13 is fatal to the obviousness rejection. Therefore, claim 13 is not obvious over Horowitz in view of Maggioncalda. Accordingly, it is requested that the obviousness rejection of Group X be overturned.

N. Rejection of Group XII Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group XII claim (claim 14) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claim 14 depends from claim 13 and contains each of the elements thereof. Therefore, claim 14 is not obvious over Horowitz in view of Maggioncalda at least for the same reasons as claim 13.

In addition, claim 14 includes the elements of “wherein generating a PWS comprises compiling a list of unique securities recommended by a population of users; dollar weighting a first subset of the securities to have equal dollar weighting; and multiplying securities in the first subset by a number of user from the population recommending the security.” As discussed above, Appellants in their review of the references have been unable to discern any sections of Horowitz and Maggioncalda that teach or suggest generating a PWS for a first subset of recommended securities. Moreover, Appellants are equally unable to discern any sections of Horowitz and Maggioncalda that teach or suggest compiling a list of unique securities recommended by a population of users since the references do not show 1) a population of users recommending any security and 2) any unique securities being recommend. In addition, Appellants are unable to find any sections of Horowitz and Maggioncalda teaching or suggesting dollar weighting a first subset of the securities to have equal dollar weighting and multiplying securities in the first subset by a number of user from the population recommending the security. Thus, combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 14.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claim 14 is fatal to the obviousness rejection. Therefore, claim 14 is not obvious over Horowitz in view of Maggioncalda. Accordingly, it is requested that the obviousness rejection of Group XI be overturned.

O. Rejection of Group XIII Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group XIII claim (claim 15) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claim 15 depends from claim 13 and contains each of the elements thereof. Therefore, claim 15 is not obvious over Horowitz in view of Maggioncalda at least for the same reasons as claim 13.

In addition, claim 15 includes the elements of “determining an industry weighting and a sector weighting of the PWS.” Appellants in their review of Horowitz and Maggioncalda are unable to discern any sections of Horowitz and Maggioncalda that teach or suggest determining an industry weighting and a sector weighting of the PWS. Thus, combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 15.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claim 15 is fatal to the obviousness rejection. Therefore, claim 15 is not obvious over Horowitz in view of Maggioncalda. Accordingly, it is requested that the obviousness rejection of Group XII be overturned.

P. Rejection of Group XIV Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group XIV claim (claim 16) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claim 16 depends from claim 13 and contains each of the elements thereof. Therefore, claim 16 is not obvious over Horowitz in view of Maggioncalda at least for the same reasons as claim 13.

In addition, claim 16 includes the elements of “reducing the first subset to a second subset having a predetermined discrete number of members.” As discussed above, Horowitz and Maggioncalda do not teach or suggest separating customers/users into any type of group (e.g., a

subset) since each customer/user is treated individually. Therefore, Horowitz and Maggioncalda cannot teach or suggest reducing the first subset into a second subset having a predetermined number of members. Thus, combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 16.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claim 16 is fatal to the obviousness rejection. Therefore, claim 16 is not obvious over Horowitz in view of Maggioncalda. Accordingly, it is requested that the obviousness rejection of Group XIII be overturned.

Q. Rejection of Group XV Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group XV claim (claim 17) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claim 17 depends from claim 16 ultimately depends from claim 13 and contains each of the elements thereof. Therefore, claim 17 is not obvious over Horowitz in view of Maggioncalda at least for the same reasons as claims 13 and 16.

In addition to the discussion regarding claims 13 and 16, claim 17 includes the elements of “wherein reducing comprises: automatically eliminating from the second subset securities not satisfying predetermined criteria, including at least one of: price to earning ratio, capitalization, trading volume, beta, alpha, and price to book ratio.” The Examiner has not stated with specificity where in Horowitz and Maggioncalda these particular elements are shown. Appellants in their review of Horowitz and Maggioncalda in their entirety are unable to discern any sections within these references where reducing comprises: automatically eliminating from the second subset securities not satisfying predetermined criteria, including at least one of: price to earning ratio, capitalization, trading volume, beta, alpha, and price to book ratio is taught or suggested. Thus, combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 17.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claim 17 is fatal to the obviousness rejection. Therefore, claim 17 is not obvious over Horowitz in view of Maggioncalda. Accordingly, it is requested that the obviousness rejection of Group XIV be overturned.

R. Rejection of Group XVI Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group XVI claims (claims 18 and 19) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claims 18 and 19, claims 18 and 19 depend from claim 16 and ultimately depend from claim 13, containing each of the elements thereof. Therefore, claims 18 and 19 are not obvious over Horowitz in view of Maggioncalda at least for the same reasons as claims 13 and 16.

In addition to the discussion regarding claims 13 and 16, claims 18 and 19 include the elements of “rebalancing the mutual fund based on existing fund weighting, an industry weighting of the PWS and a sector weighting of the PWS.” Similar to claim 17, the Examiner has not stated with specificity where in Horowitz and Maggioncalda these particular elements are shown. Appellants in their review of Horowitz and Maggioncalda in their entirety are unable to discern any sections within these references where rebalancing the mutual fund based on existing fund weighting, an industry weighting of the PWS and a sector weighting of the PWS is taught or suggested. Thus, combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claims 18 and 19.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claims 18 and 19 is fatal to the obviousness rejection. Therefore, claims 18 and 19 are not obvious over Horowitz in view of Maggioncalda. Accordingly, it is requested that the obviousness rejection of Group XV be overturned.

S. Rejection of Group XVII Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group XVII claim (claim 20) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claim 20, claim 20 defines a method comprising establishing a naked fund, receiving a request for current mutual fund information over a WAN and transmitting mutual fund information over the WAN. The Examiner alleges that Horowitz and Maggioncalda teach providing advice and financial products that address user requirements and that this construction may then be applied to funding any operations, which include empty (naked) funds. See Paper No. 7, page 5. Appellants respectfully disagree with the Examiner's characterization of an empty fund being the equivalent to a naked fund. Appellants, being their own lexicographer, have specifically defined a naked fund to be a fund (e.g., a mutual fund) where users have access to current listings of fund holdings and listings of fund transactions. See Application page 5, lines 23. Therefore, a naked fund is not the equivalent to an empty fund since an empty fund does not allow a user to access current listings of fund holdings and listings of fund transactions.

In addition, Appellants respectfully remind the Examiner that the references themselves must teach or suggest the elements included in the claim and that the Examiner cannot use hindsight in view of Appellants' disclosure to render the claim obvious. See MPEP § 2143 and § 2143.01. Appellants have reviewed Horowitz and Maggioncalda in their entirety and respectfully submit that these references do not teach or suggest at least comprising establishing a naked fund.

Moreover, Appellants note that traditional mutual funds report holdings on a quarterly basis and by the time the fund holdings information is disseminated to investors, the information is typically obsolete since the fund holdings have usually changed by the time investor receive the holdings information. Neither reference teaches or suggests making available current fund holdings since they only teach the ability to recommend investing in traditional mutual funds. Thus, combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 20.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claim 20 is fatal to the obviousness rejection. Therefore, claim 20 is not obvious over Horowitz in view of Maggioncalda. Accordingly, it is requested that the obviousness rejection of Group XVI be overturned.

T. Rejection of Group XVIII Under 35 U.S.C. § 103(a) as Being Obvious Over Horowitz in View of Maggioncalda.

The Examiner rejects the Group XVIII claim (claim 21) under 35 U.S.C. 103(a) as being obvious over Horowitz in view of Maggioncalda. Appellants traverse the rejection.

Claim 21 defines a method comprising investing in a mutual fund and reviewing current fund holdings data received over a WAN from a server node. Appellants respectfully submit Horowitz and Maggioncalda fail to teach or suggest each of these elements since both references are concerned with obtaining information from the customer/user to provide investing advice the customer/user and neither reference discloses that the customer/user is able to review current fund (provided they chose an appropriate fund) holdings over a WAN once they choose a particular investment.

Moreover, similar to above, Appellants note that traditional mutual funds report holdings on a quarterly basis and by the time the fund holdings information is disseminated to investors, the information is obsolete since the fund holdings have changed by the time investor receive the holdings information. Neither reference teaches or suggests making available current fund holdings since they only teach the ability to recommend investing in traditional mutual funds. Thus, combination of Horowitz and Maggioncalda fails to teach or suggest each of the elements of claim 21.

The failure of Horowitz and Maggioncalda to teach or suggest each of the elements of claim 21 is fatal to the obviousness rejection. Therefore, claim 21 is not obvious over Horowitz in view of Maggioncalda. Accordingly, it is requested that the obviousness rejection of Group XVII be overturned.

IX. CONCLUSION AND RELIEF

Accordingly, it is submitted that the rejections of Groups I-XVII based on 35 U.S.C. § 103 be overturned.

Respectfully submitted,

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Nadya Gordon

6/22/04
Date

X. APPENDIX

The claims involved in this Appeal are as follows:

1. A method comprising:
 - receiving over a wide-area network (WAN) an indication of a preference of a user from a population of users that form a virtual community;
 - aggregating the preference into a database of previously received preferences from the population, the aggregation being a set of preferences; and
 - deriving a financial product from the set of preferences.
2. The method of claim 1 wherein the financial product is a mutual fund.
3. The method of claim 1 further comprising:
 - associating with each preference a ranking of a submitting user; and
 - screening the preferences based on the ranking.
4. The method of claim 2 wherein deriving comprises:
 - identifying within the set of preferences a first subset of preferences having a capitalization and a trading volume consistent with objectives of the mutual fund.
5. The method of claim 4 further comprising:
 - screening the first subset of preferences based on a ranking of a submitting user to create a second subset.
6. The method of claim 1 wherein each preference represents a stock in a model portfolio of a user, the method further comprising:
 - ranking the model portfolio relative to a population of model portfolios; and
 - incentivising submitters of high performing model portfolios.
7. The method of Claim 2 further comprising:
 - receiving from an investor currency units to be invested in the mutual fund;
 - screening the set of preferences to identify a security to be added to the mutual fund;and
 - establishing a new position of the security in the mutual fund.
8. The method of Claim 2 further comprising:

receiving a request over the WAN for information about the mutual fund; and
serving a page reflecting current holdings of the mutual fund over the WAN.

9. The method of claim 1 wherein the financial product is a newsletter.
10. The method of claim 9 further comprising:
screening the set of preferences to generate a recommended list.
11. The method of claim 10 wherein the screening is based on at least one of:
ranking of a submitting user, investment style of the recommended list,
capitalization, average trading volume, price to earning ratio, return on investment, gross margin, and
revenue growth rate over a predetermined time period; and
generating analyst reports for submitting users satisfying predetermined criterion.
12. The method of claim 11 further comprising:
distributing the newsletter electronically; and
updating the analyst reports and recommendations with a frequency greater than
weekly.
13. A method comprising:
receiving recommendations for securities from a population of users over a wide
area network (WAN);
generating a population weighted scale (PWS) for a first subset of the securities
recommended; and
identifying position changes for a mutual fund from the subset of securities
recommended.
14. The method of claim 13 wherein generating a PWS comprises:
compiling a list of unique securities recommended by a population of users;
dollar weighting a first subset of the securities to have equal dollar weighting;
and
multiplying securities in the first subset by a number of user from the
population recommending the security.
15. The method of claim 13 further comprising:
determining an industry weighting and a sector weighting of the PWS.

16. The method of claim 13 further comprising:
reducing the first subset to a second subset having a predetermined discrete number of members.
17. The method of claim 16 wherein reducing comprises:
automatically eliminating from the second subset securities not satisfying predetermined criteria, including at least one of:
price to earning ratio, capitalization, trading volume, beta, alpha, and price to book ratio.
18. The method of Claim 16 further comprising:
rebalancing the mutual fund based on existing fund weighting, an industry weighting of the PWS and a sector weighting of the PWS.
19. The method of Claim 18 wherein rebalancing comprises:
applying a valuation screen to the mutual fund; and
allocating new money to a security from the second subset based on the application of the valuation screen.
20. A method comprising:

establishing a naked fund;
receiving a request for current mutual fund information over a wide area network (WAN); and
transmitting current mutual fund information over the WAN.
21. A method comprising:
investing in a mutual fund; and
reviewing current fund holdings data received over a WAN from a server node.